



MEMORANDUM

Date: August 28, 2019 File No.: 0164

To: Ralph Diaz, Secretary
California Department of Corrections and Rehabilitation
1515 S Street, Suite 502-N
Sacramento, CA 95811

From: **Department of General Services**
Office of Audit Services

Subject: **QUALITY CONTROL REVIEW OF CONTRACT APPROVAL EXEMPTION AUDIT**

This report presents the results of our quality control review of an internal audit conducted of the California Department of Corrections and Rehabilitation's (CDCR) contracting program. The audit was conducted by CDCR's Office of Audits and Court Compliance (OACC).

As a condition of CDCR's exemption (Exemption Letter No. CDCR4) from the Department of General Services' (DGS) approval of its contracts under \$150,000, two audits are required to be performed of the department's contracting program during the exemption period of July 1, 2017 through June 30, 2021. On June 14, 2019, OACC issued an audit report which presented the results of the first audit required under the terms of the exemption. Public Contract Code Section 10352 requires DGS to perform a quality control review of the audit.

The objectives of our quality control review are to determine: (1) if the internal audit was conducted in accordance with an audit guide issued by DGS; and, (2) if reported findings are being appropriately addressed by CDCR's management. Based on our interviews of audit staff and review of the working papers prepared to support audit tests, and our performance of other procedures as deemed necessary, we concluded that the audit was conducted in accordance with DGS' audit guide and that management indicated a commitment to take appropriate actions to address reported findings.

We greatly appreciated the cooperation and assistance provided by CDCR's audit staff.

If you need further information or assistance on this report, please contact me at (916) 376-5058 or Dennis Miras, Audit Manager, at (916) 376-5064.

A handwritten signature in blue ink, appearing to read "Andy Won", is written over a light blue horizontal line.

ANDY WON
Deputy Director, Office of Audit Services

cc: Jeff Macomber, Undersecretary, Administration and Offender Services, CDCR
Jennifer Osborn, Director, Division of Administrative Services, CDCR
Guillermo Viera Rosa, Director, Division of Correctional Policy Research and
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Devin Fong, Deputy Director, Office of Business Services, CDCR
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